

Electricity, internal market: production from renewable energy sources, RES-E

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The committee adopted the report by Mechtild ROTHE (PES, D) amending the proposal under the codecision procedure (first reading). It stressed that renewable energies formed an effective strategy for environmental protection and would help the EU to achieve the Kyoto targets, and that the Commission should seek to harmonise as soon as possible the different national support schemes for the use of renewable energy. This, it added, would have to keep pace with the process of full liberalisation of the EU electricity market. The report went on to clarify some of the definitions of "renewable energy sources" contained in the proposal, including the definition of the substances deemed to be "biomass". It also wanted the binding target for the share of electricity from renewable energy sources in total Community energy consumption to be kept at 23.5% (as set out in the 1997 White Paper on renewable energy sources), as opposed to the Commission's proposal that it be reduced to 22.1%. The report was concerned to clarify the nature of the support being provided for renewable energy sources, emphasising that full account must be taken of the need to internalise all external costs of electricity until fair competition had been achieved. Support schemes for electricity production from renewable energy sources were therefore intended to provide compensation to this sector for the long-term avoidance of external costs (such as those incurred by fossil fuel and nuclear energy production), in order to create a fair market framework. Inappropriately high transit fees and technical requirements for access to the grid for producers of electricity from renewable energies also constituted obstacles to fair competition, and the committee therefore wanted the cost advantages of the decentralised production of such electricity to be taken into account when the fees were determined. Grid operators should provide the requisite infrastructure, as part of the process of equal treatment with other forms of energy production, while the connection costs should be borne by operators of renewable energy plants, since such costs were eligible for a grant. Lastly, the committee felt that the proposal should provide for the possibility of extending the time-scale for transposition of a future Community framework for support schemes to 10 years (rather than 5 years as proposed by the Commission), thereby enabling successful national support schemes to continue during this transitional period. It also wanted the Commission to redraft the Community guidelines for state aid for protection of the environment to ensure that they did not run counter to the directive and hence restrict the effect of the support mechanisms.